

ADMINISTRATIVE - INTERNAL USE ONLY

27 February 1973

MEMORANDUM FOR THE RECORD

SUBJECT: The President's Executive Interchange Program

1. On 22 February 1973 the following met with Mr. Neil Stein, of the President's Commission on Personnel Interchange, to discuss the Commission's invitation to CIA to participate in the 1973-74 Executive Interchange Program:

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Harry Fisher, Director of Personnel  
[REDACTED] Deputy Director of Personnel  
[REDACTED] Deputy Director of Training  
[REDACTED] Executive Assistant, OTR

2. Interchange Program

The President's Executive Interchange Program was established in 1969 to provide highly talented executives with an opportunity to gain experience by crossing sector lines to work temporarily in government or business during the important middle years of their careers. Through the program, a small number of government candidates are sponsored each year by their Agency Heads to serve in executive positions with participating business firms, and business candidates are similarly nominated to serve temporarily with Federal Agencies (140 executives have received such assignments in the first 3 years of the program.) The selections of candidates and their assignments are managed by the President's Commission on Personnel Interchange.

Candidates for the Interchange Program are generally in the 28-38 age range and are considered on the basis of demonstrated potential for advancement to the senior management level

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in their sponsoring organizations. (Government candidates are usually GS-14 or 15.) Those selected take leaves-of-absence from their organizations for approximately one year. Candidates are usually nominated prior to 1 May, selected by 15 June, and begin assignments in August or September. During his assignment the individual's moving expenses are paid by his parent organization, but his salary by his host. In practice, the salary is approximately the same the executive would have received from his parent organization (subject of course to a \$36,000 limit for assignments to Federal Agencies.)

3. Meeting with Mr. Stein

The meeting with Mr. Stein was designed to obtain additional information about the Interchange Program to aid in determining whether CIA should participate. In the course of the discussion the following points were made:

- a. The President's Commission recognizes the security requirements that would have to be met by a business executive nominated to CIA. Similar requirements exist in several participating agencies and are fully understood by the business people.
- b. The lead-time needed for a full clearance pretty well rules out the likelihood of a business nominee to CIA this year because assignments should be arranged by 15 June. However, this would not prevent CIA's sponsoring one of its members as a candidate since assignments are negotiated individually by the Commission and need not be on a one-for-one exchange basis. In fact, Mr. Stein pointed out, there has always been a shortage of government candidates so CIA would be most welcome to nominate one even though it does not accept a business candidate in return.
- c. The length of assignments takes into account the fact that government employees can lose certain benefits if their LWOP exceeds one year.

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d. The Commission recognizes that a few business firms might find it difficult to accept a CIA executive or to nominate one of their own to CIA; but, according to Mr. Stein, this problem can easily be dealt with when assignments are negotiated.

e. The Commission is quite amenable to our suggesting a particular type of assignment for our nominee, even to selecting the Company if it is one of those participating in the program (for example, we could ask that one of our economists serve in the international division of a large bank.) Similar latitude exists with respect to the type of business executive we might later want. Every effort is made, Mr. Stein said, to tailor assignments as closely as possible to such requests.

4. Conclusions

Following the session with Mr. Stein the CIA representative agreed to recommend that:

a. The Agency accept the invitation to participate in the 1973-74 Executive Interchange Program.

b. One (and perhaps an alternate) nominee be chosen from the Agency this year.

c. Because of the time factor, OTR be authorized to negotiate directly with operating officials to identify the most suitable CIA nominee (and perhaps alternate.)

EV\VOLE [REDACTED] (SA EGP A3)  
d. The Agency be ready to consider accepting an exchange from the business sector, recognizing that it is unlikely that time will allow such a nomination to be made this year.

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DISPOSITION:

Executive Assistant  
Office of Training

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Approved For Release 2001/11/01 : CIA-RDP78-04488A000200240016-4

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